



KENTUCKY STATE BOARD FOR PROPRIETARY EDUCATION

P.O. Box 1360, Frankfort, Kentucky 40602 ~ 911 Leawood Drive, Frankfort, Kentucky 40601
(502) 564-3296, Extension 227 ~ www.finance.ky.gov/bpe

SCHOOL SURETY BOND

INSTRUCTIONS

1. This bond must be typed or printed legibly and completed in its entirety.
2. Refer to KRS 165A.360(2) and 201 KAR 40:150.
3. This original completed bond may be submitted to the Kentucky State Board for Proprietary Education either by mail to P.O. Box 1360, Frankfort, KY 40602 or by delivery to 911 Leawood Drive, Frankfort, Kentucky 40601.

BOND INFORMATION

Principal Name - School		Bond Number	
Street Address	City	State	Zip Code
Telephone Number	Fax Number	Email Address	
Surety Name - Insurance Company			
Street Address	City	State	Zip Code
Bond Amount – Minimum \$20,000		Bond Term – Beginning and Ending Date	

KNOW ALL MEN BY THESE PRESENTS: that the school listed above, as Principal and the insurance company listed above as Surety, are held and firmly bound unto the KENTUCKY STATE BOARD FOR PROPRIETARY EDUCATION, Commonwealth of Kentucky, P.O. Box 1360, Frankfort, KY 40602, in the penal sum of the amount listed above, which is no less than \$20,000 as required by KRS 165A.360, in lawful money of the United States, for the payment of which, well and truly to be made, we hereby bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by those presents, under the terms and conditions as required by KRS 165A.

WHEREAS, the above bonded Principal has made application for a Certificate of Approval as a school, pursuant to KRS 165A.360 for the term listed above and in accordance with the provisions of KRS 165A.

NOW THEREFORE, the conditions of the herein described obligations are as follows:

- A. Pursuant to KRS 165A, the Principal shall indemnify any student, or enrollee, or the parents or guardian of any such student or enrollee suffering a loss or damage as the result of
 1. Any fraud or misrepresentation used in procuring an enrollment; or
 2. Any fraud or misrepresentation as represented by the application for the Certificate of Approval; or
 3. A student being unable to complete the course or courses because said School, the herein named Principal, ceased operations.
- B. Such indemnification by the Principal shall in no case exceed the advanced tuition paid, or to be paid, by said student or students or any such parent or guardian as defined in KRS 165A.360, and as defined in the Administrative Regulations of the Kentucky State Board for Proprietary Education, and regardless of the number of years that said school's bond is enforced, the aggregate liability of the Surety bond shall in no event exceed the above stated penal sum of the bond.
- C. The Surety on said bond may be released therefrom after said Surety shall have made written notice thereof directed to the Board at P.O. Box 1360, Frankfort, Kentucky 40602, at least thirty (30) days prior to said release, but shall remain liable, as described in KRS 165A, for any verified complaints made by students within said thirty (30) day period or prior thereto.
- D. If after the hearing, as described in KRS 165A.360(3) (b), in which the Board has determined the claim to be correct and due to claimant, then thereafter the Board has made written demand upon the Principal and payment of the claim has not been made within ten (10) days of the mailing of said demand, then and in that event, the Surety shall indemnify the student or enrollee or the parents or guardian of any such student or enrollee, upon written demand by the Board; however, if the Principal shall make





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the indemnification described above to the student or enrollee or the parents or guardian of any such student or enrollee, this obligation shall be void, otherwise indemnification of the Surety shall remain in full force and effect.

- E. The bonded Principal shall indemnify the Surety against all losses, costs, expenses or damage to or caused by said Principal's noncompliance with or breach of any laws, statutes, ordinances, rules or regulations, pertaining to such licensure issued to the Principal, which said breach or noncompliance shall occur during the aforementioned term of said licensing.
- F. The herein described bond may be continuous, and may be so continued from year to year upon the issuance of a continuation certificate by the Surety, and delivery to the Board; provided however, regardless of the number of years this bond remains in force, the aggregate liability of the Surety for any and all claims shall in no event exceed the penal sum of the bond as described above.
- G. The Surety shall be responsible for reimbursement of all attorney fees, costs and expenses, incurred by the Board, resulting from the Surety's failure to release the bond upon proper demand in accordance with KRS 165A.360(3)(a).
- H. This bond shall be construed in accordance with the laws of the Commonwealth of Kentucky, and in particular KRS 165A, and the rules and regulations of the Kentucky State Board for Proprietary Education, said statutes, rules and regulations being incorporated herein by reference.

CERTIFICATION

I hereby certify that the foregoing information is correct to the best of my knowledge. In witness where of the Principal and the Surety have signed and sealed this instrument on the date below.

Surety Name

Principal Name

By: _____
Surety Signature Date

By: _____
Principal Signature Date

State Of _____

State Of _____

County Of _____

County Of _____

Signed and sworn before me on this _____ day
of _____, 20 _____

Signed and sworn before me on this _____ day
of _____, 20 _____

My commission expires: _____

My commission expires: _____

Notary Signature

Notary Signature